

STATE BOARD OF ACCOUNTS  
SPECIAL INVESTIGATIONS



## **Mark Mahon**

Director of Special Investigations  
Indiana State Board of Accounts

### **MARK'S BACKGROUND**

- U.S. ARMY VETERAN
- RETIRED FROM THE FBI AFTER 20 YEARS OF SERVICE (VIOLENT CRIMES, TERRORISM, CYBER, PUBLIC CORRUPTION AND FRAUD CASES)
- JOINED THE STATE BOARD OF ACCOUNTS IN 2016

MARK MAHON  
DIRECTOR OF SPECIAL INVESTIGATIONS  
INDIANA STATE BOARD OF ACCOUNTS  
317-234-9573  
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## **Tammy Baker**

Special Investigations Coordinator  
Southern District

### **Tammy's Background**

- Joined the State Board of Accounts in 1992
- Served as Field Examiner
- Served as Supervisor over Not-For-Profits; License Branches; Schools and Townships; and Special Investigations Coordinator

**Tammy Baker**  
**Special Investigations Coordinator**  
**Indiana State Board of Accounts**  
**317-273-9354**  
**TBAKER@SBOAFE.IN.GOV**

**Dean Gerlach**  
**Special Investigations Coordinator**  
**Northern District**

### **Dean's Background**

- Joined the State Board of Accounts in 1980
- Served as Field Examiner; Field Supervisor; and Special Investigations Coordinator

Dean Gerlach  
Special Investigations Coordinator  
Indiana State Board of Accounts  
317-677-2084  
DGERLACH@SBOAFE.IN.GOV

**Bill Vinson**  
Senior Special Investigator Northern

## **BILL'S BACKGROUND**

- Joined the State Board of Accounts in 1979
- Served as Field Examiner; Auditor in Charge; Field Supervisor; Audit Manager; and Special Investigations Examiner

**Bill Vinson**  
**Senior Special Investigator**  
**Indiana State Board of Accounts**  
**765-747-7788**  
**BVINSON@SBOAFE.IN.GOV**

**Map of Special Investigations Districts**  
**April 2018**

**Northern District:**

- Dean Gerlach, Coordinator
- Stan Willmert
- Mary Jo Small
- Jeff Paul
- Steve Poor
- Kristin Campbell
- Bill Vinson
- Sandy Gerlach

**Southern District:**

- Tammy Baker, Coordinator
- Gina Gambaiani
- Annette Ladson
- David Bixler
- Lynne Spencer
- Jon Bennington
- Eugene West
- Sam Wilson



## REQUIREMENT TO REPORT

- INDIANA CODE 5-1-1-27 STATES,
- A PUBLIC OFFICER WHO HAS ACTUAL KNOWLEDGE OF OR REASONABLE CAUSE TO BELIEVE THAT THERE HAS BEEN A MISAPPROPRIATION OF PUBLIC FUNDS OR ASSETS OF THE PUBLIC OFFICE, INCLUDING:
  - (1) INFORMATION OBTAINED AS A RESULT OF A POLICE REPORT;
  - (2) AN INTERNAL AUDIT FINDING; OR
  - (3) ANOTHER SOURCE INDICATING THAT A MISAPPROPRIATION HAS OCCURRED;
 SHALL IMMEDIATELY SEND WRITTEN NOTICE OF THE MISAPPROPRIATION TO THE STATE BOARD OF ACCOUNTS AND THE PROSECUTING ATTORNEY SERVING IN THE AREA GOVERNED BY THE POLITICAL SUBDIVISION."

## THEFT IN GOVERNMENT AT THE LOCAL LEVEL DOES HAPPEN

1. COUNTY AUDITOR CAUGHT USING THE COUNTY CREDIT CARD FOR PERSONAL ITEMS TOTALING OVER \$ 129,000
2. CASH COLLECTIONS AT A UTILITY NOT DEPOSITED TOTALING OVER \$ 150,000
3. SCHOOL TREASURER CAUGHT USING THE SCHOOL CREDIT CARD FOR OVER \$ 275,000 OF PERSONAL EXPENSES
4. SCHOOL MAINTENANCE DIRECTOR CAUGHT TAKING KICKBACKS FROM A VENDOR. KICKBACKS IDENTIFIED TOTALED OVER \$ 115,000. EXCESS COSTS INCURRED BY THE SCHOOL AS A RESULT OF THE KICKBACKS TOTALED OVER \$ 825,000.
5. TOWNSHIP TRUSTEE CFO STOLE OVER \$ 340,000 USING DUMMY CHECKING ACCOUNTS.
6. WHILE THESE ARE ALL HIGH PROFILE CASES, WE PROCESS A LARGE NUMBER OF SPECIAL INVESTIGATIONS RELATED TO THEFTS IN THE \$ 1000 TO \$ 10,000 RANGE EACH YEAR.



## REASONS A GOOD PERSON MAY RESORT TO THEFT

1. EXPENSES RELATED TO AN ACCIDENT OR ILLNESS INVOLVING A FAMILY MEMBER
2. SPOUSE'S LOSS OF JOB
3. COLLEGE DEBT FOR THEMSELVES OR THEIR KIDS
4. PASSED UP FOR A RAISE THEY TRULY DESERVED
5. BELIEF THAT THE THEFT WAS ACTUALLY A LOAN AND PERSON INTENDED TO PAY BACK THE AMOUNT TAKEN



## DARKER REASONS OFTEN UNKNOWN TO FELLOW WORKERS

1. DRUGS
2. GAMBLING DEBTS OR OTHER UNCONTROLLABLE HABITS
3. BLACKMAIL
4. GREED
5. IRRATIONAL DESIRE TO PROVIDE EVERYTHING POSSIBLE FOR GRANDCHILDREN OR FAMILY



## **REASONS TO FEEL COMFORTABLE CONTACTING SBOA**

1. WE DO NOT JUMP TO CONCLUSIONS BASED ON RUMOR, INNUENDO OR NEWSPAPER OR SOCIAL MEDIA COMMENTS
2. WE DO NOT SHARE OUR INVESTIGATION WITH THE PRESS, OTHER OFFICIALS OR OTHER OUTLETS UNTIL THE COMPLETION OF OUR INVESTIGATION.
3. WE WORK WITH LAW ENFORCEMENT AGENCIES TO CONDUCT THE MOST EFFICIENT INVESTIGATION POSSIBLE.
4. WE ARE AN INDEPENDENT OUTSIDE AGENCY AND COME INTO AN INVESTIGATION WITH NO BIAS OR AGENDA.

## **GOOD INTERNAL CONTROLS EQUALS PREVENTION**

- ENSURE NO ONE PERSON HAS CONTROL OVER ALL PARTS OF A TRANSACTION.
- RESTRICT USE OF AGENCY CREDIT CARDS AND VERIFY ALL CHARGES MADE
- PROTECT CHECKS AGAINST FRAUDULENT USE.
- PROTECT CASH AND CHECK COLLECTIONS.
- THINK ABOUT THESE ITEMS IN RELATION TO YOUR SPECIFIC SITUATION. DO YOU HAVE TWO EMPLOYEES OR TWENTY? DO YOU OPERATE IN MORE THAN ONE PHYSICAL LOCATION?

**WHAT TO DO IF YOU SUSPECT POSSIBLE LOSS-**

CONTACT SBOA AS SOON AS POSSIBLE

OFFICE DIRECTORS FOR LIBRARIES: TODD CALDWELL AND SUSAN  
GORDON (LIBRARIES@SBOA.IN.GOV)

SBOA WEBSITE: [WWW.IN.GOV/SBOA/](http://WWW.IN.GOV/SBOA/) PH: 317-232-2513

THE SBOA AUDIT TEAM IF THEY ARE ON-SITE

MARK, DEAN OR TAMMY

QUESTIONS???